

Program for System Committee Meeting
on
Financial Structure and Regulation

February 1993

Miami, Florida

Thursday, February 4

8:30 a.m. – Coffee

Session 1. Competition, or the Lack Thereof, in Bank Markets

Session Chair: John Boyd

9:00 a.m. –

“Search, Switching Costs, and the Stickiness of Credit Card Interest Rates,” by Paul S. Calem, Federal Reserve Bank of Philadelphia; and Loretta J. Mester, Federal Reserve Bank of Philadelphia and University of Pennsylvania.

Discussant: Glenn Canner, Board of Governors

“Using Measures of Firm Efficiency to Distinguish Among Alternative Explanations of the Structure-Conduct-Performance Relationship in Banking,” by Allen N. Berger and Timothy H. Hannan, Board of Governors of the Federal Reserve System.

Discussant: Len Nakamura, Federal Reserve Bank of Philadelphia

10:15 a.m. – Break

Session 2. Information Theory and International Finance

Session Chair: John Boyd

10:30 a.m. –

“Debt Buybacks Signal Sovereign Countries’ Creditworthiness: Theory and Tests,” by Sankarshan Acharya, Federal Reserve Board; and Ishac Diwan, World Bank.

Discussant: Tim Wilson, Board of Governors

"Intermediation and the Equilibrium Allocation of Investment Capital: Implications for Economic Development," by John H. Boyd, Federal Reserve Bank of Minneapolis and University of Minnesota; and Bruce D. Smith, Federal Reserve Bank of Minneapolis and Cornell University.

Discussant: John Weinberg, Federal Reserve Bank of Richmond

12:00 noon – Lunch

Session 3. Successful Bank Exams (And What To Do When They're Not)

Session Chair: John Boyd

1:15 p.m. –

"Implications of Annual Examinations for the Bank Insurance Fund," by R. Alton Gilbert, Federal Reserve Bank of St. Louis

Discussant: Catharine Lemieux, Federal Reserve Bank of Kansas City

"Open-Bank Assistance Transactions and Prompt Corrective Action," by John J. Mingo, Board of Governors.

Discussant: Larry Mote, Federal Reserve Bank of Chicago

2:30 p.m. – Break

Session 4. Bank Mergers: The Good, The Bad, and The Ugly

Session Chair: Arthur Rolnick

2:45 p.m. –

"Megamergers in Banking and the Use of Cost Efficiency as an Antitrust Defense," by Allen N. Berger, Board of Governors of the Federal Reserve System; and David B. Humphrey, Florida State University.

Discussant: Stavros Peristiani, Federal Reserve Bank of New York

"The Effect of Takeover Limits on the Market for Corporate Control: The Case of the Banking Industry," by Aruna Srinivasan, Federal Reserve Bank of Atlanta; Larry D. Wall, Federal Reserve Bank of Atlanta; and Carolyn T. Takeda, University of Florida.

Discussant: Fred Furlong, Federal Reserve Bank of San Francisco

4:00 p.m. – Adjourn

Friday, February 5

8:30 a.m. – Coffee

Session 5. Capital Constraints Cause Credit Crunch?

Session Chair: Arthur Rolnick

9:00 a.m. –

“Loan Sales as a Response to Market-Based Capital Constraints,” by Charles T. Carlstrom
and Katherine A. Samolyk, Federal Reserve Bank of Cleveland

Discussant: To be announced

“Bank Regulation and the Credit Crunch,” by Joe Peek and Eric Rosengren, Federal Reserve
Bank of Boston.

Discussant: Robert Clair, Federal Reserve Bank of Dallas

“The Changing Impact of Capital Requirements on Bank Growth—1975 to 1991,” by
Herbert L. Baer and John N. McElravey, Federal Reserve Bank of Chicago.

Discussant: To be announced

11:00 a.m. – Adjourn